

Briefing Statement

Bureau: National Park Service
Issue: Proposed North Shore Road
Park Site: Great Smoky Mountains National Park
Date: February 25, 2005

BACKGROUND: In the 1920's and 30's the states of North Carolina and Tennessee purchased about 1,100 tracts of private land, displacing an estimated 5,700 people, to create Great Smoky Mountains National Park. At the outbreak of World War II, the Tennessee Valley Authority (TVA) purchased about 11,800 acres of land along the Little Tennessee River for the purpose of constructing Fontana Dam to provide energy for Alcoa Aluminum as a vital part of the war effort. An additional 44,400 acres of occupied land between the planned lake and the existing Park boundary remained in private hands until July 1943, when the U.S. Department of the Interior (DOI) entered into a four-party agreement with Swain County, NC, the State of North Carolina, and Tennessee Valley Authority (TVA). Under that Agreement, TVA agreed to purchase the 44,400 acres of land because residents of those tracts would become "landlocked" as NC Highway 288, the sole road providing access to the area, would be flooded by the new lake. TVA transferred ownership of the north shore acreage to the Park. As part of the Agreement, the DOI agreed that, provided that Congress appropriated the funds, the DOI would build a new road through the Park along the north shore of Fontana Lake to replace NC 228. Work began on this north shore road in the early 1960's and approximately 7 miles of the approximately 30-mile route within the Park were completed before the construction was halted for fiscal and environmental reasons, leaving the DOI commitment unfulfilled.

During the past 24 years, a number of efforts to settle the 1943 Agreement have occurred:

- In 1980 Interior Secretary Cecil Andrus developed a proposal to satisfy the DOI commitment through a \$9.5 million cash payment to Swain County in lieu of further construction of the road and through a number of other measures, several of which were successfully accomplished. The amount of the Andrus settlement was based upon a formula to reimbursing Swain County for indebtedness incurred during the construction of old Highway 288, adjusted for inflation. Congress would need to appropriate the settlement.
- In June 1991 Senator Terry Sanford attempted to implement the Andrus settlement plan through S1339, which would have provided a \$16 million cash payment to Swain County as compensation for the (re-adjusted) value of NC 228 as a full settlement of all claims arising out of the 1943 Agreement. Senator Jesse Helms introduced other bills, in 1991, 1993, 1995, and 1996 calling for building the road, as well as providing large cash payments to Swain County as compensation for loss of the flooded road. None of them made it out of committee.
- The Park's 1982 General Management Plan reflects the decision not to build a road through the National Park.

CURRENT STATUS:

The FY 2001 U.S. Department of Transportation Appropriation Bill provided \$16 million to build the road, although funding was not requested by the National Park Service or Department of Transportation.

Senator Dole has stated her intent to support the position of the citizens of Swain County. . Senator Alexander has publicly stated his opposition to the construction of the road. Congressman Charles Taylor strongly supports building the road.

In February 2003, the Swain County Commission resolved to seek a cash settlement of \$52 million in lieu of the road. Adjoining Graham County Commission passed a resolution supporting the road and/or sharing in any settlement, although Graham County was not a signatory of the 1943 Agreement. NC Governor Easley wrote to DOI Secretary Norton on September 5, 2003 urging the Secretary to support the cash settlement.

An Environmental Impact Statement (EIS) process is underway that will result in the DOI's preferred alternative. The Purpose and Need of the NEPA action is to identify and evaluate all alternatives that might resolve the obligations under the 1943 Agreement. The first public meetings to discuss the EIS occurred in February 2003. Since the start of the decision-making process over 20,000 comments have been received from 10,800 people. Public sentiment at the meetings has been divided between advocates for full construction of the road and supporters of a cash settlement.

Five alternatives are undergoing detailed study. They include 1) No Action (i.e., no road – no resolution), 2) a monetary settlement agreement to replace the 1943 Agreement, 3) construction of a picnic area and exhibits near the end of the current road at Laurel Branch, 4) constructing 5-7 miles of new road to terminate at a recreational and educational facility along Fontana Lake at Bushnell, and 5) building 29 to 38 miles of new road along a North Shore Corridor as called for by the 1943 Agreement.

The fourth set of meetings began on February 22, 2005. Attendees at that meeting were provided with a summary of the information gathered to compare the costs, benefits and impacts of the alternatives. The estimated costs and construction times of build alternatives were: 2 years and \$5 million to construct the Laurel Branch Picnic Area, 5 years and \$93 million to complete the Bushnell alternative, and 15 years with a cost of \$374 million to complete the entire North Shore Corridor. The direct economic benefits of the projects were estimated at: 37 construction-related and 7 long-term jobs that could be generated by the Laurel Branch project, 243 construction and 41 long-term jobs produced by the Bushnell project, and 316 construction and 207 long-term jobs resulting from building the North Shore Corridor. The economic impacts of a cash settlement would vary depending upon the amount and how Swain County chose to invest it. An overview of the economic information and a summary of the natural and cultural resources found or expected to be within the construction corridors were also provided. More details on the information presented at the meeting are available at www.northshoreroad.info

Comments following the latest series of meetings will be analyzed in developing a Draft EIS for distribution in late fall 2005. A fifth and final series of public meetings will be scheduled just after the DEIS is released.

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